



COUNTY OF LOS ANGELES
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The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**SETTLEMENT OF CONDEMNATION CASE
COUNTY OF LOS ANGELES v. CBS OUTDOOR AKA VIACOM OUTDOOR, ET AL.
LOS ANGELES SUPERIOR COURT CASE NUMBER BC 362910
LA CRESCENTA LIBRARY PROJECT (C.P. 77450)
FIFTH SUPERVISORIAL DISTRICT (3 VOTES)**

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the County Counsel's Office to settle the referenced eminent domain lawsuit by paying the total amount of \$285,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

A proposed settlement of this condemnation action has been reached with representatives of CBS Outdoor, Inc. ("CBS Outdoor"). Your Board's authorization is now required to complete the settlement and resolve all issues related to the acquisition of all rights to a large, outdoor advertising sign.

On August 16, 2005, your Board approved the acquisition of property located at 2801-2813 Foothill Boulevard in La Crescenta to replace the existing La Crescenta Library with a larger, new library facility (the "Project"). In October 2005, the County acquired fee title to the real property for the Project. The County's fee ownership was subject to the property rights of CBS Outdoor which included a leasehold and tenant improvements for operation of a large outdoor advertising sign which was located on the property.

On December 5, 2006, after unsuccessful negotiations with CBS Outdoor, your Board adopted a Resolution of Necessity for this project and instructed County Counsel to file eminent domain proceedings to acquire all property rights of CBS Outdoor in the property, including the leasehold, all tenant improvements, and the sign itself.

Both the County and the property owner have obtained appraisals of the total value of the leasehold and the sign itself. These appraisals conflict with each other regarding the estimated total value. The proposed settlement amount is within the range of values established by these appraisals and would constitute a reasonable compromise of the dispute.

On December 19, 2007, the parties participated in a mediation, which was ordered by the Los Angeles Superior Court, before Mr. A.J. Hazarabedian, an experienced, Court-appointed eminent domain attorney. After hearing lengthy argument and expert appraisal testimony from both sides, Mr. Hazarabedian recommended settlement in the amount of \$285,000 for full settlement of all possible claims. His recommendation was accepted by CBS Outdoor and was tentatively accepted by County representatives subject to approval by your Board.

The Chief Executive Office and the Public Library concur with the County Counsel that the proposed settlement is fair and reasonable and would save the significant litigation costs required to present this case to a jury.

Implementation of Strategic Plan Goals

This project is consistent with the County Strategic Plan Goal of Service Excellence in that it will provide improved public library services at the La Crescenta Library. The project is also consistent with the County Strategic Plan Goal of Fiscal Responsibility in that all of the property rights of CBS Outdoor in the subject property are being acquired for a fair and reasonable amount.

FISCAL IMPACT/FINANCING

The funding for the proposed settlement is available in the FY 2007-08 Capital Project budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The County brought this action to acquire the leasehold for the sign and all property rights of CBS Outdoor in the subject property, including the sign itself, so that the La Crescenta Library Project could go forward.

The subject sign was an illuminated, single-sided bulletin-type advertising sign with a face which was approximately 14 feet tall by 48 feet wide.

Article I, section 19 of the California Constitution and the Eminent Domain Law (California Code of Civil Procedure, Part 3 Title 7) require that the owner of property condemned by a public agency be compensated for the fair market value of the property interests taken.

The proposed settlement amount is inclusive of all claims for compensation and damage which could be asserted by CBS Outdoor, including compensation for the leasehold, tenant improvements, the sign itself, business goodwill, relocation benefits, all possible damage, pre-and-post-judgment interest, court costs, and litigation expenses, including attorney and expert fees.

ENVIRONMENTAL DOCUMENTATION

On August 16, 2005, your Board adopted a Mitigated Negative Declaration for this project in accordance with the California Environmental Quality Act.

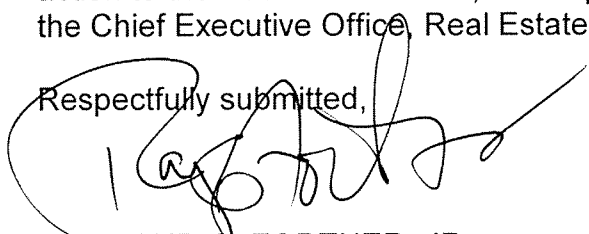
IMPACT ON CURRENT SERVICES

The County obtained the right to possession of the sign as of March 20, 2007, and the sign itself was removed, pursuant to agreement of the parties, on June 21, 2007. Construction began with demolition, site preparation, and site clearance in the first week of July 2007. The library was able to continue to provide services to the community during part of the construction and closed on September 16, 2007. Library patrons have been directed to the nearby La Canada-Flintridge Library for alternative services.

CONCLUSION

The proposed settlement is fair to all parties and is in the County's best interest. It is requested that the Executive Officer, Board of Supervisors, return one conformed copy of this action to the Auditor-Controller, one copy to County Counsel, one to Public Library, and two to the Chief Executive Office, Real Estate Division.

Respectfully submitted,



RAYMOND G. FORTNER, JR.
County Counsel

RGF:PTH:ia

c: William T Fujioka, Chief Executive Officer
Chief Executive Office

Sachi A. Hamai, Executive Officer
Board of Supervisors

Margaret Donnellan Todd, County Librarian
Public Library